

# REPUBLIC OF THE PHILIPPINES

## EDICT OF GOVERNMENT

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PNS/PAES 138 (2005) (English): Agricultural Machinery -- Guidelines on After -- Sales Service



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# **PHILIPPINE NATIONAL STANDARD**

**PNS/PAES 138:2005  
(PAES published 2004)  
ICS 65.060**

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**Agricultural Machinery – Guidelines on After-Sales Service**

FEB 21 2006

**National Foreword**

This Philippine Agricultural Engineering Standards PAES 138:2004, Agricultural Machinery – Guidelines on After-Sales Service was approved for adoption as a Philippine National Standard by the Bureau of Product Standards upon the recommendation of the Agricultural Machinery Testing and Evaluation Center.

## Foreword

The formulation of this National Standard was initiated by the Agricultural Machinery Testing and Evaluation Center (AMTEC) with support from the Department of Agriculture (DA).

This standard has been technically prepared in accordance with BPS Directives Part 3: 2003 – Rules for the Structure and Drafting of International Standards.

The word “shall” is used to indicate mandatory requirements to conform to the standard.

The word “should” is used to indicate that among several possibilities one is recommended as particularly suitable without mentioning or excluding others.

In the preparation of this standard, the following documents/publications were considered:

Agricultural Machinery Distributors/Manufacturers Accreditation Committee. *Minimum After-Sales Service Requirement of Accredited Dealers by Dealer Classification*. 1985.

*Directory of Agricultural Machinery Manufacturers and Dealers*. AMTEC, UPLB and NAFC, DA. 2001.

Republic Act No. 7394 otherwise known as “The Consumer Act of the Philippines” enacted on July 22, 1991.

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**Agricultural Machinery – Guidelines on After-Sales Service**

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**1 Scope**

This standard specifies guidelines on after-sales service for agricultural machinery.

**2 Definitions**

For the purpose of this standard, the following definitions shall apply:

**2.1****after-sales services**

consists of parts and services provided by the manufacturers/distributors/dealers to the end-user to ensure continuous serviceability of agricultural machinery

**2.2****agricultural machinery**

consists of agricultural tractors, self-propelled and pedestrian-operated machines, implements, and other equipment primarily used for agricultural operations

**2.3****dealer**

authorized representative of distributors and/or manufacturers to supply, trade, sell and service agricultural machinery to end-users

**2.4****distributor**

trading entity authorized by foreign and local suppliers and/or manufacturers to distribute agricultural machinery to dealers

**2.5****manufacturer**

Philippine-based, foreign or Filipino-owned, manufacturing entity involved in the production and distribution of agricultural machinery

**2.6****warranty**

guarantee

expressed assurance of the quality of the materials and workmanship of the products offered for sale or length of satisfactory use to be expected from a product under normal use

### **3 Classification of Manufacturers/Distributors/Dealers**

The manufacturers/distributors/dealers shall be classified according to size as small-, medium-, or large-scale and rated based on Annex A.

## **4 General Requirements**

### **4.1 Warranty for Construction and Durability**

**4.1.1** The manufacturer/distributor/dealer shall issue a warranty certificate to the buyer. Warranty against defective materials and workmanship shall be provided for parts and services except for normal wear and tear of expendable/consumable maintenance parts (e.g. belts, tires, hoses, filters, electric parts, etc.) within six months from the purchase of the machinery for brand new products.

**4.1.2** Warranty shall cover only failure or damages from normal use and maintenance conditions. It shall not cover any damage due to the following conditions:

- a) accident or natural disaster;
- b) improper operation and maintenance of the machine; and
- c) unauthorized repair and/or use of non-genuine parts.

### **4.2 Services and Parts Availability**

The manufacturer/distributor/dealer shall be capable of:

**4.2.1** supplying the services of mechanic free of charge for replacing parts under warranty to put the unit in running condition during the warranty period which includes the transportation cost within 50-km radius;

**4.2.2** providing services on repairs after warranty period at reasonable cost;

**4.2.3** maintaining spare parts of at least 10% of their average past three-year sales per product to ensure adequate inventory of spare parts; and

**4.2.4** providing the other minimum after-sales service requirement given in Table 1.

**Table 1 – Minimum After-Sales Services Requirement for Agricultural Machines**

| Minimum After-Sales Service Requirements                                  | Manufacturer/Distributor/Dealer Size Classification                                                   |                                                                               |                                                                                |
|---------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|--------------------------------------------------------------------------------|
|                                                                           | Small Scale                                                                                           | Medium Scale                                                                  | Large Scale                                                                    |
| Service mechanics                                                         | 1                                                                                                     | 2                                                                             | 3                                                                              |
| Repair service area, m <sup>2</sup>                                       | 20                                                                                                    | 40                                                                            | 60                                                                             |
| Service vehicle                                                           | 1                                                                                                     | 2                                                                             | 3                                                                              |
| Warranty                                                                  | within six months from the purchase of agricultural machinery or 600 hours, whichever comes first     |                                                                               |                                                                                |
| Repair and maintenance tools and equipments<br>(see Table 2 for the list) | a. 1 set of basic tools/equipment<br><br>b. set of special tools/equipment (optional)                 | a. 2 sets of basic tools/equipment<br><br>b. 1 set of special tools/equipment | a. 3 sets of basic tools/equipment<br><br>b. 2 sets of special tools/equipment |
| Manual and catalogue                                                      | Parts catalogue<br>Repair or workshop manual                                                          |                                                                               |                                                                                |
| Parts inventory                                                           | 10 % of their average past three-year sales per product shall be allotted to inventory of spare parts |                                                                               |                                                                                |

**Table 2 – List of Repair and Maintenance Tools and Equipments**

| Classification of Tools/Equipment | Repair and Maintenance Tools and Equipments                                                                                                                                                                                                                                                                                                                                                                                                                                        |
|-----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Basic<br>(Dealer/Manufacturer)    | <ol style="list-style-type: none"> <li>1. set of wrenches (e.g. box, open and socket)</li> <li>2. set of hand tools (e.g. hammer, pliers, screw driver, etc)</li> <li>3. welding machine</li> <li>4. drilling machine</li> <li>5. chain block or floor lift</li> <li>6. overhauling set of tools (e.g. rings, compressor, valve lifter, nozzle tester, etc.)</li> <li>7. threading cutting tools</li> <li>8. tachometer</li> <li>9. riveter</li> <li>10. set of pullers</li> </ol> |
| Special<br>(Manufacturer)         | <ol style="list-style-type: none"> <li>1. torque wrench</li> <li>2. set of gauges (e.g. feeler gauge, sheet and wire gauge, drill gauge, screw pitch gauge, micrometer, etc)</li> <li>3. turning machines</li> <li>4. bending machine</li> <li>5. shearing machine</li> <li>6. painting/finishing equipments</li> </ol>                                                                                                                                                            |

## Annex A

**Rating Scheme for Size Classification of  
Manufacturers, Distributors and Dealers**

| Parameter                                                             | Level                                                                 | Equivalent Points |
|-----------------------------------------------------------------------|-----------------------------------------------------------------------|-------------------|
| 1. Current value                                                      | < P 5 Million                                                         | 3                 |
|                                                                       | P 5 to P 20 Million                                                   | 6                 |
|                                                                       | >P 20 Million                                                         | 10                |
| 2. Ownership                                                          | Single proprietorship                                                 | 3                 |
|                                                                       | Partnership/Cooperative                                               | 6                 |
|                                                                       | Corporation                                                           | 10                |
| 3. Production mode<br>(for manufacturers only)                        | By piece work                                                         | 3                 |
|                                                                       | Batch Production                                                      | 6                 |
| 4. Area of operation                                                  | Within town and neighboring areas                                     | 3                 |
|                                                                       | Several provinces/regions                                             | 6                 |
|                                                                       | Nationwide                                                            | 10                |
| 5. Marketing and distribution                                         | Store/Shop only; No dealers                                           | 3                 |
|                                                                       | With dealers within the area of operation                             | 6                 |
|                                                                       | Nationwide distribution                                               | 10                |
| 6. After-sales service                                                | Parts and Service only; no warranty                                   | 3                 |
|                                                                       | Parts and Service with limited warranty                               | 6                 |
|                                                                       | Parts, Service and full warranty                                      | 10                |
| 7. Equipment and manufacturing capability<br>(for manufacturers only) | Cut and weld operation                                                | 3                 |
|                                                                       | Batch production; use of jigs and fixtures and use of power equipment | 6                 |
|                                                                       | Mass production possible                                              | 10                |

| Parameter                                                                                                                                                                                                                                                                                                                                             | Level                                                                                                                                                                                                                                 | Equivalent Points |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| 8. Type and number of personnel                                                                                                                                                                                                                                                                                                                       | Class 1: Laborer, welder, tinsmith painter and other skilled labor                                                                                                                                                                    | 3                 |
|                                                                                                                                                                                                                                                                                                                                                       | Class 2: Accountant, bookkeeper, cashier, supervisor and administrative staff                                                                                                                                                         | 6                 |
|                                                                                                                                                                                                                                                                                                                                                       | Class 3: Engineers, managers, executive officers and managerial staff                                                                                                                                                                 | 10                |
|                                                                                                                                                                                                                                                                                                                                                       | <i>Computation:</i><br><br>% of Class 1 personnel x equivalent point = partial point<br>% of Class 2 personnel x equivalent point = partial point<br>% of Class 3 personnel x equivalent point = <u>partial point</u><br>total points |                   |
| 9. Type and number of products                                                                                                                                                                                                                                                                                                                        | Class 1: Hand tools and implements, hand tractor, harvester, sheller, thresher, pump, pumpset and other products costing less than or equal to P 50,000                                                                               | 3                 |
|                                                                                                                                                                                                                                                                                                                                                       | Class 2: Dryers (< 2 tons), rice mill, drilling rig and other products costing from P 50,000 to P 250,000                                                                                                                             | 6                 |
|                                                                                                                                                                                                                                                                                                                                                       | Class 3: Dryers (>2 tons), silos, 4W tractors and other products costing >P 250,000                                                                                                                                                   | 10                |
|                                                                                                                                                                                                                                                                                                                                                       | <i>Computation:</i><br><br>% of Class 1 products x equivalent point = partial point<br>% of Class 2 products x equivalent point = partial point<br>% of Class 3 products x equivalent point = <u>partial point</u><br>total points    |                   |
| Size Classification Rating:<br>1. Add up all equivalent points for all the parameters and divide by the number of parameters to come up with the total points score.<br>2. Classify the manufacturers according to size using the following rating scale:<br>< 4 points = Small scale;     4 to 7 points = Medium scale;     > 7 points = Large scale |                                                                                                                                                                                                                                       |                   |

Source: Directory of Agricultural Machinery Manufacturers and Dealers. AMTEC. 2001.